# IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

## TAX APPEAL No. 323 of 2003

**For Approval and Signature:**

**HONOURABLE MR.JUSTICE D.A.MEHTA**

**HONOURABLE MS.JUSTICE H.N.DEVANI**

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1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

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**THE INCOME TAX OFFICER, - Appellant(s)**

**Versus**

**THE ANAND MERCANTILE CO-OP. BANK LTD. - Opponent(s)**

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**Appearance :**

MR MANISH R BHATT for Appellant No(s).: 1.

MR SN DIVATIA for Respondent No(s).: 1.

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**CORAM : HONOURABLE MR.JUSTICE D.A.MEHTA**
**and**
**HONOURABLE MS.JUSTICE H.N.DEVANI**

**Date : 16/08/2005**

**ORAL JUDGMENT**

**(Per : HONOURABLE MS.JUSTICE H.N.DEVANI)**

1 Heard Mr.M.R.Bhatt, learned Senior Standing Counsel for the appellant - Revenue and Mr.S.N.Divetia for the

respondent.

2 It is an accepted position that the controversy raised by the question framed at the time of admission stands concluded by a decision of this Court rendered in Tax Appeal No.208 of 2003 and cognate matters on 29.07.2005, 01.08.2005 and 09.08.2005 in the case of Commissioner of Income Tax-tax Vs. The Baroda Peoples Co-operative Bank Limited.

3 Therefore, it is held that the Tribunal was justified in law in allowing deduction under Section 80P(2)(a)(i) of the Income-tax Act, 1961 on interest income as being attributable to the business of banking. The question is, accordingly, answered in the affirmative. The tax appeal is, accordingly, dismissed. There shall be no order as to costs.

(D.A.Mehta, J) (H.N.Devani, J)

m.m.bhatt